Outline

- PPIC Statewide Surveys
- State Political Context
- California State Budget
- Conclusions
PPIC Statewide Survey Mission

- Provide timely, relevant, nonpartisan data on political, social, and economic opinions
- Inform and improve state policymaking, raise awareness, encourage discussion
- Provide a voice for all Californians in important state policy debates
  - 240,000+ Californians since 1998
  - 100+ general, issue, and regional surveys
Californians and Their Government

- General series funded by The Irvine Foundation
- State political context
  - Overall mood of residents; ratings of Governor Brown and legislature
  - State tax system; state and local realignment
- California state budget
  - Spending and taxation; structural reform
  - Governor’s budget plan
- Telephone interviews, January 11–18
  - 2,004 adults / 987 likely voters
    - ± 3.5% margin of error for adults
    - ± 4.2% for likely voters
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Most Important Issue

Which one issue facing California today do you think is the most important for the governor and state legislature to work on...?

Likely voters

- Jobs, economy
- State budget, deficit, taxes

Jan 07: 6%
Jan 08: 19%
Jan 09: 32%
Jan 10: 30%
Jan 11: 31%
Direction of the State

Do you think things in California are generally going in the right direction or the wrong direction?

% likely voters saying right direction

<table>
<thead>
<tr>
<th>Jan 02</th>
<th>Feb 03</th>
<th>Jan 04</th>
<th>Jan 05</th>
<th>Jan 06</th>
<th>Jan 07</th>
<th>Jan 08</th>
<th>Jan 09</th>
<th>Jan 10</th>
<th>Jan 11</th>
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<tbody>
<tr>
<td>55</td>
<td>22</td>
<td>44</td>
<td>48</td>
<td>36</td>
<td>55</td>
<td>35</td>
<td>16</td>
<td>15</td>
<td>32</td>
</tr>
</tbody>
</table>
Economic Conditions

Turning to economic conditions in California, do you think that during the next 12 months we will have good times financially or bad times?

Would you say that California is in an economic recession, or not? (if yes: Do you think it is in a serious, moderate, or a mild recession)

- Good times: 56%
- Bad times: 7%
- Not in a recession: 48%
- Don't know: 2%

- Serious recession: 7%
- Moderate recession: 12%
- Mild recession: 7%
- Don't know: 0%
Overall Approval Ratings

**Governor Brown**
- Approve: 39
- Disapprove: 19
- Don't know: 41

**State Legislature**
- Approve: 19
- Disapprove: 55
- Don't know: 26

*All adults*
Overall, from what you know so far, do you approve or disapprove of the way that Governor Brown is handling the issue of the state budget and taxes?

<table>
<thead>
<tr>
<th></th>
<th>Approve</th>
<th>Disapprove</th>
<th>Don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>All adults</strong></td>
<td>41</td>
<td>27</td>
<td>32</td>
</tr>
<tr>
<td><strong>Dem</strong></td>
<td>55</td>
<td>17</td>
<td>28</td>
</tr>
<tr>
<td><strong>Rep</strong></td>
<td>30</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td><strong>Ind</strong></td>
<td>39</td>
<td>28</td>
<td>33</td>
</tr>
<tr>
<td><strong>Likely voters</strong></td>
<td>47</td>
<td>24</td>
<td>29</td>
</tr>
</tbody>
</table>
Overall, from what you know so far, do you approve or disapprove of the way that the California Legislature is handling the issue of the state budget and taxes?
Governor and Legislature Working Together

Do you think that Governor ______ and the state legislature will be able to work together and accomplish a lot in the next year, or not?

% likely voters saying yes

<table>
<thead>
<tr>
<th>Year</th>
<th>% Likely Voters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 07</td>
<td>60</td>
</tr>
<tr>
<td>Jan 08</td>
<td>44</td>
</tr>
<tr>
<td>Jan 09</td>
<td>35</td>
</tr>
<tr>
<td>Jan 10</td>
<td>20</td>
</tr>
<tr>
<td>Jan 11</td>
<td>52</td>
</tr>
</tbody>
</table>
As you may know, voters recently passed Proposition 25, a constitutional amendment that reduces the legislative vote requirement to pass a state budget from a two-thirds vote to a simple majority, or 50 percent plus one. Does this new vote requirement make you ...?

<table>
<thead>
<tr>
<th>Group</th>
<th>More optimistic</th>
<th>Less optimistic</th>
<th>No difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>All adults</td>
<td>37</td>
<td>19</td>
<td>40</td>
</tr>
<tr>
<td>Dem</td>
<td>51</td>
<td>15</td>
<td>31</td>
</tr>
<tr>
<td>Rep</td>
<td>30</td>
<td>27</td>
<td>38</td>
</tr>
<tr>
<td>Ind</td>
<td>34</td>
<td>20</td>
<td>43</td>
</tr>
<tr>
<td>Likely voters</td>
<td>44</td>
<td>26</td>
<td>27</td>
</tr>
</tbody>
</table>
Perceptions of State and Local Tax System

Overall, do you think the state and local tax system is in need of major changes, minor changes, or do you think it is fine the way it is?

- **All adults**: 26% minor changes, 58% major changes
- **Dem**: 29% minor changes, 55% major changes
- **Rep**: 18% minor changes, 73% major changes
- **Ind**: 25% minor changes, 61% major changes
- **Likely voters**: 24% minor changes, 65% major changes
Fairness of State and Local Tax System

Overall, how fair do you think our present state and local tax system is—would you say it is very fair, moderately fair, not too fair, or not at all fair?

<table>
<thead>
<tr>
<th>Category</th>
<th>Not too/at all fair</th>
<th>Very/moderately fair</th>
</tr>
</thead>
<tbody>
<tr>
<td>All adults</td>
<td>41%</td>
<td>57%</td>
</tr>
<tr>
<td>Dem</td>
<td>32%</td>
<td>66%</td>
</tr>
<tr>
<td>Rep</td>
<td>52%</td>
<td>48%</td>
</tr>
<tr>
<td>Ind</td>
<td>41%</td>
<td>59%</td>
</tr>
<tr>
<td>Likely voters</td>
<td>44%</td>
<td>56%</td>
</tr>
</tbody>
</table>
State and Local Realignment

Would you favor or oppose a shift of some tax dollars and fees from the state government to local governments, in order for local governments to take on the responsibility of running certain programs currently run by the state?

% who favor

- All adults: 71
- Dem: 73
- Rep: 72
- Ind: 68
- Likely voters: 73
If the state were to shift some tax dollars and fees to local governments, how confident are you that local governments would be able to take on the responsibilities of running certain programs currently run by the state?
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Perceptions of the State Budget Situation

Do you think the state budget situation in California—that is, the balance between government spending and revenues—is a big problem, somewhat of a problem, or not a problem for the people of California today?

% likely voters saying big problem

Jan 07: 49
Jan 08: 74
Jan 09: 82
Jan 10: 83
Jan 11: 83
Preference for Size of Government

In general, which of the following statements do you agree with more—I’d rather pay higher taxes and have a state government that provides more services, or I’d rather pay lower taxes and have a state government that provides fewer services?
When it comes to the tough choices involved in the state budget, both in deciding how much Californians should pay in taxes and how to fund state programs, whose approach do you most prefer?

- **Democrats' in the legislature**
- **Governor Brown's**
- **Republicans' in the legislature**

<table>
<thead>
<tr>
<th>Group</th>
<th>All adults</th>
<th>Dem</th>
<th>Rep</th>
<th>Ind</th>
<th>Likely voters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democrats' in the legislature</td>
<td>28</td>
<td>41</td>
<td>70</td>
<td>19</td>
<td>21</td>
</tr>
<tr>
<td>Governor Brown's</td>
<td>26</td>
<td>36</td>
<td>12</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>Republicans' in the legislature</td>
<td>26</td>
<td>7</td>
<td>5</td>
<td>26</td>
<td>34</td>
</tr>
</tbody>
</table>
Dealing With the Budget Gap

How would you prefer to deal with the state’s budget gap?

- Mostly tax increases
- Mix of cuts and taxes
- Mostly spending cuts

<table>
<thead>
<tr>
<th>Category</th>
<th>Mostly tax increases</th>
<th>Mix of cuts and taxes</th>
<th>Mostly spending cuts</th>
</tr>
</thead>
<tbody>
<tr>
<td>All adults</td>
<td>9</td>
<td>42</td>
<td>36</td>
</tr>
<tr>
<td>Dem</td>
<td>13</td>
<td>58</td>
<td>21</td>
</tr>
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<td>25</td>
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</tr>
<tr>
<td>Ind</td>
<td>5</td>
<td>46</td>
<td>36</td>
</tr>
<tr>
<td>Likely voters</td>
<td>8</td>
<td>45</td>
<td>41</td>
</tr>
</tbody>
</table>
Preferences for Major Budget Areas

- **K–12 Education**: Would pay higher taxes (62%) vs. Would support spending cuts (26%)
- **Higher Education**: Would pay higher taxes (51%) vs. Would support spending cuts (42%)
- **Health & Human Services**: Would pay higher taxes (46%) vs. Would support spending cuts (44%)
- **Prisons & Corrections**: Would pay higher taxes (14%) vs. Would support spending cuts (74%)
New revenue sources have been proposed to address the state budget deficit. For each of the following, please indicate whether you favor or oppose the proposal. How about...?

- Raising corporate taxes
- Raising personal income taxes
- Raising state sales tax
- Increasing vehicle license fee

Likely voters

- Favor
- Oppose

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Favor</th>
<th>Oppose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raising corporate taxes</td>
<td>55</td>
<td>42</td>
</tr>
<tr>
<td>Raising personal income taxes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raising state sales tax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increasing vehicle license fee</td>
<td></td>
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</tr>
</tbody>
</table>
Governor’s Budget Plan

...In general, are you satisfied or dissatisfied with the governor’s budget plan?

- All adults: 58% satisfied, 29% dissatisfied
- Dem: 64% satisfied, 26% dissatisfied
- Rep: 49% satisfied, 37% dissatisfied
- Ind: 57% satisfied, 31% dissatisfied
- Likely voters: 58% satisfied, 29% dissatisfied
Concern About Cuts in Governor’s Budget

Overall, how concerned are you about the effects of the spending reductions in the governor’s budget plan?

- All adults: 45% somewhat concerned, 30% very concerned
- Dem: 45% somewhat concerned, 35% very concerned
- Rep: 39% somewhat concerned, 29% very concerned
- Ind: 41% somewhat concerned, 26% very concerned
- Likely voters: 40% somewhat concerned, 33% very concerned
Attitudes Toward Recent Special Elections

In general, do you think the special election is a good idea or bad idea?

![Bar chart showing attitudes towards special elections from Sep 05, May 09, and Jan 11. The chart shows a decrease in good ideas and an increase in bad ideas over time.](chart.png)
Governor’s Special Election Proposal

In a special election, voters would be asked to extend—for five years—temporary increases in state personal income taxes, the state sales tax, and vehicle license fee that went into effect in 2009. Some revenues would be diverted to local governments for schools, public safety, and other services. If voters reject the proposal, additional cuts to services would be made. Do you favor or oppose this proposal?
Redirecting Tax Revenue

Do you favor or oppose phasing out funding for local redevelopment agencies, and eliminating state tax benefits for enterprise zones, in order to redirect that tax revenue to local governments for schools and other local services?

% who favor

- All adults: 66%
- Dem: 68%
- Rep: 56%
- Ind: 67%
- Likely voters: 63%
Cutting State Worker Pay

Do you favor or oppose cutting state worker pay by about 10 percent for those who are not currently covered under collective bargaining agreements?

% who favor

- All adults: 49%
- Dem: 46%
- Rep: 61%
- Ind: 57%
- Likely voters: 55%
Fiscal Reform Proposals

Spending and tax reforms have been proposed to address the structural issues in the state budget. For each of the following, please say whether you think the proposal is a good idea or a bad idea.

- Strictly limit state spending: 71% good idea, 24% bad idea
- Increase size of rainy day fund: 73% good idea, 20% bad idea
- Replace 2/3 vote with 55% to pass local special taxes: 53% good idea, 40% bad idea
The Knowledge Gap

I’m going to name some of the largest areas for state spending. Please tell me the one that represents the most spending in the state budget.

I’m going to name some of the largest areas for state revenues. Please tell me the one that represents the most revenue for the state budget.

All adults

- **K–12 public education***: 45
- **Health and human services**: 27
- **Higher education**: 16
- **Prisons and corrections**: 6
- **Don't know**: 6

- **Personal income tax***: 20
- **Sales tax**: 29
- **Corporate tax**: 16
- **Motor vehicle tax**: 5
- **Don't know**: 29

*Correct answer
Outline

- PPIC Statewide Surveys
- November 2010 Election
- State and National Issues
- Conclusions
Conclusions

- Optimism up with new state leadership
- Budget situation seen as a big problem; slight preference for mix of cuts and taxes to fix it
- Strong support for realignment; confidence local governments could carry it out
- Likely voters oppose cuts to K–12 education, health and human services, higher education; would pay higher taxes for K–12/higher education
- General satisfaction with governor’s budget plan and support for special election
- Majorities support proposed fiscal reforms
- Knowledge gap on budget spending and revenues
Upcoming PPIC Statewide Surveys

- February
  - Californians and Healthy Communities
- March
  - Californians and Their Government
- April
  - Californians and Education
- May
  - Californians and Their Government
Notes on the use of these slides

These slides were created to accompany a presentation. They do not include full documentation of sources, data samples, methods, and interpretations. To avoid misinterpretations, please contact:

Mark Baldassare or Nicole Willcoxon: surveys@ppic.org

Thank you for your interest in this work.

January 2011
PPIC Statewide Survey: Californians and Their Government

Mark Baldassare, Dean Bonner, Sonja Petek, Nicole Willcoxon

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